

2015 Retirement Benefits Guide

This guide provides basic information about retiring from the City of Minneapolis, including:

- Steps you can take in the year before retirement
- Overview of your City of Minneapolis Benefits, and
- Contact information for the organizations and individuals referred to in this guide

City of Minneapolis benefits staff can answer your questions about the City's health and welfare plans but cannot give financial advice or answer your questions about Social Security, Medicare, pension or deferred compensation benefits.

Getting Ready to Retire

In the year before retirement:

Meet with financial and legal professionals. You may want to consult with a financial advisor before you make any final decisions on retirement. Your financial advisor can help you decide if you can afford to retire and help you set financial goals. You may also wish to obtain legal advice about creating or updating such documents as your will, durable power of attorney, and durable power of attorney for health care and/or a living will. The employee assistance program (1-800-626-7944) can provide resources and referrals for financial and legal assistance.

Contact your retirement plan office to obtain pension estimates and start the pension application process. You should apply for benefits at least 60 days before your retirement date. If you participate in PERA, you should plan to attend a pre-retirement planning workshop and/or schedule a group counseling session with a PERA benefit counselor. PERA participants can also obtain an estimate of monthly retirement benefits on MY PERA, the online access portal on the PERA webpage.

Contact the Minnesota Deferred Compensation Plan to obtain benefit information including payout options.

Contact past employers and, if appropriate, the military to find out whether you qualify for retirement income under their plans.

If you will be age 62 or older when you retire, call Social Security to get benefit estimates at various ages and to apply for benefits. If you will be age 65 or over at the time you retire, you should apply for Medicare Part B about three months before you want Medicare insurance coverage to start.

Gather documents, including birth certificates and marriage certificate, which you may need when you apply for a benefit.

Benefit Plan Coverage after Retirement

Your coverage for most City of Minneapolis health and welfare plans ends on the last day of the month in which you retire. Following is information on what happens to your benefit plan coverage after your retire from the City, as well as your options for continue certain benefit plans.

Retiree Medical Continuation

You may continue the medical plan available to active employees if:

- You are eligible to begin receiving benefits under a public pension plan at the time you retire, and
- You are enrolled in a City-sponsored medical plan immediately before you retire.

If you are enrolled for family coverage when you retire, you may continue coverage for all eligible family members or you may elect to continue coverage for yourself only. If you decline coverage when you retire or switch from family to single coverage, you may not re-enroll yourself or your family at a later date.

If you choose to continue medical coverage, a new Medica group number will be assigned to you, you will receive a new ID card and will need to register again at mymedica.com. Your former log in will not work. Expenses that apply to calendar year deductible and out-of-pocket limits will transfer from your active City group to your retiree group.

Your cost to continue medical coverage equals the full monthly premium. Monthly costs for continued medical plan coverage are adjusted at the beginning of each calendar year. You will be advised in advance of any changes in monthly costs.

During the annual open enrollment period that occurs in November each year, you will have the opportunity to change your network election effective the following January^t.

Network & Coverage Level	2015 Monthly Cost	
	Wellness Premium	Standard Premium
Medica Elect or Essential: Single Coverage	\$524.00	\$558.00
Medica Elect or Essential: Family Coverage	\$1,468.00	\$1,561.00
Medica Choice/Passport: Single Coverage	\$558.00	\$593.00
Medica Choice/Passport: Family Coverage	\$1,561.00	\$1,661.00

Retirees who complete the annual wellness program by the deadline will be eligible for lower premium rates the following calendar year.

When you become eligible for Medicare at age 65 you can no longer continue to be covered under the medical plans offered to active City employees. At that time, you may enroll in one of the Medicare supplement plans offered by the City or by the Public Employees Insurance Plan (PEIP). To participate in one of the City plans, you must be enrolled in Medicare Parts A and B. Contact the Benefits Office for information on the Medicare supplement plans sponsored by the City and PEIP.

Note: Medicare begins on the first of the month when you attain age 65. If your birthday falls on the first of the month, you are eligible for Medicare the first of the month before the month you attain age 65. For example, if your birthdate is August 2, you are eligible for Medicare on August 1. If your birthdate is August 1, you are eligible for Medicare on July 1.

If your spouse is covered under the City's medical plan but is not yet eligible for Medicare, he or she may continue to participate in the active medical plan until becoming eligible for Medicare. At that time, he or she may also elect coverage under a Medicare supplement plan offered by the City or PEIP.

If you have family coverage when you become eligible for Medicare and do not have a spouse but have a covered dependent child(ren), they will have the opportunity to continue coverage for up to 36 months.

If you are over 65 when you retire and did not sign up for Medicare Part B when you reached age 65, you will need to request that Benefits fill out the "Request for Employment Information" form (#CMS-L564). This form can be obtained by calling Social Security or visiting your local Social Security office.

Retiree Dental Continuation

You may continue dental coverage indefinitely by paying the full cost of this coverage. For 2015, that monthly cost is \$32.00 for single and \$79.00 for family coverage. If you are enrolled for family coverage when you retire, you may continue coverage for all eligible family members or you may elect to continue coverage for yourself only. If you decline dental coverage at the time you retire or if you drop dental coverage at a later date, you may not re-enroll yourself or your family at a later date.

Life Insurance

You may continue your basic, dependent and optional life insurance at full group rate for 18 months following retirement. Following the 18-month continuation period, you would then have the option of converting to an individual policy without submitting evidence of insurability. You will receive notice from Eide Bailly that your continuation period is ending along with information on converting to an individual policy.

Minneflex Spending Accounts

Continuation options will be based your elections and account balances at the time you retire.

Health care spending account: You may continue to submit reimbursement requests for eligible health care expenses incurred on or before your retirement date. If you have a positive account balance at the time you retire, you may continue to submit AND incur expenses through the end of the calendar year by electing to continue contributions to the plan on an after-tax basis.

Dependent care spending account: Eligible dependent care expenses incurred before and after your retirement date can be reimbursed but only up to the amount actually deducted from your pay during the calendar year in which you retire.

Claims for reimbursement must be filed by the April 15th following the end of the year in which you retire.

HRA/VEBA

Money remaining in your HRA/VEBA account after retirement is available to you for reimbursement of eligible health care expenses (including your premiums for retiree medical and dental coverage). Eligible expenses generally include any health expense incurred by you or an eligible dependent that is reimbursable under Internal Revenue Code Section 213(d) and that is not paid under any other health or accident plan or insurance policy. You have 18 months from the end of the calendar year a claim was incurred to submit a reimbursement.

If you elect to continue contributions to the HRA/VEBA, your account will be closed at the end of the 18-month continuation period. Any funds remaining in your account at that time will be forfeited.

If you die before you have claimed your entire account balance, your eligible dependents could submit claims for their eligible health expenses until the account is exhausted.

It is important that you let the City and the HRA/VEBA administrator know about address changes. If the plan has been unable to contact you for a 36-month period at your last known address, you will forfeit any money remaining in your account. Forfeitures will be used to pay administrative expenses. An \$18.00/year administrative fee will be deducted from your HRA/VEBA account starting the calendar year after you retire.

Submitting Eligible Expenses for Minneflex Flexible Spending and the HRA/VEBA

After you leave the City, the WageWorks health care card is no longer available. However, you can use the following options to submit claims:

- **Pay Me Back.** You pay for the expense with your own funds and then request reimbursement. For the best user experience, submit claims using your online account at www.wageworks.com. Paper claim forms are also available by request from the Benefits Office.
- **Pay My Provider.** From your online account, you will enter the service date, claim details, and upload a receipt. Payment is sent directly to your provider.

Electing and Paying for Benefit Continuation

Eide Bailly Employee Benefits administers the benefit continuation program. You will receive information from Eide Bailly offering continued medical, dental and life insurance coverage, as well as HRA/VEBA and health care flexible spending account (FSA), if available.

You will return an election form directly to Eide Bailly indicating whether you want to “accept” or “waive” each plan. Eide Bailly will then set up your elections with the appropriate insurers.

You will pay Eide Bailly directly for continued medical, life insurance, FSA and HRA/VEBA coverage. You will pay Delta Dental directly for continued dental coverage. Eide Bailly and Delta Dental both offer a variety of ways to pay for continued coverage. If you receive a pension from Fire Relief, Police Relief or Police & Fire PERA, you may elect to have medical and dental premiums deducted from your pension checks. Contact PERA to set up the deductions.

Long Term Disability

This coverage ends on your retirement date. It cannot be continued nor converted. If you are receiving long term disability benefits at the time you retire, these payments will continue to be paid according to the plan’s provisions.

Pre-tax Transportation Plan – Metropass and Parking Programs

Payroll deductions for the Metropass and contract parking are taken from the second paycheck each month to pre-pay for the next month. Cancellation requests are available on the City’s benefits website and must be sent to the City’s benefits office 30 days prior to the date (always the last day of the month) you want your participation to end.

MSRS Health Care Savings Plan

If you contribute to the Minnesota State Retirement System (MSRS) health care savings plan, through an ongoing contribution or with vacation or sick leave severance pay, you may use the money in your account for eligible health care expenses after you leave the City. You will receive information from MSRS about how to obtain reimbursements from your account. If you have questions about the health care savings plan, contact MSRS.

Important Contact Information

Organization / Address	Contact Information
City of Minneapolis Benefits Office	612-673-3333 www.ci.minneapolis.mn.us/hr/benefits
Delta Dental	651-406-5916 1-800-553-9536 www.deltadentalmn.org
Eide Bailly	612/253-6633 www.cobra@eidebailly.com
Medica	952-945-8000 1-800-952-3455 www.medica.com Personal Account Website: www.mymedica.com
Minnesota Deferred Compensation Plan (MNDCP) MSRS Health Care Savings Plan	651-296-2761 1-800-657-5757 www.msrs.state.mn.us
Public Employees Retirement Association (PERA)	651-296-7460 1-800-652-9026 www.mnpera.org
Social Security and Medicare Local offices: Suite 800, 190 East 5 th Street, St. Paul 1811 Chicago Avenue S, Minneapolis 5215 Edina Industrial Boulevard, Edina 3280 Northway Drive, Brooklyn Center	1-800-772-1213 (Social Security) 1-800-633-4227 (Medicare) www.ssa.gov www.medicare.gov
Ameritas (Union Central) Defined Contribution Plan	1-800-825-4546
Central Pension Fund of the IUOE and Participating Employers (IUOE Local 49)	1-202-362-1000 www.cpfuoe.org
Laborers International Union of North America (Liuna)	1-800-544-7422
Plumbers National Pension Fund (Local #15)	1-800-638-7442
WageWorks (Minneflex and HRA/VEBA claims)	1-855-428-0446 www.wageworks.com